

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
DOCKETS

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)	Docket Nos. OST-97-2881 - 324
Computer Reservations System)	OST-97-3014 - 88
(CRS) Regulations)	OST-98-4775 - 133
)	OST-99-5888 - 26

ANSWER OF GALILEO INTERNATIONAL
IN RESPONSE TO
PETITION FOR FACT HEARING

CATHY L. CUPP
Senior Vice President
and General Counsel
THOMAS J. DEMAY
Regulatory Affairs Counsel

Galileo International
9700 West Higgins Road
Rosemont, Illinois 60018
847-518-4800

CAROLYN F. CORWIN
Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2401
202-662-6000
202-662-6291 (facsimile)
ccorwin@cov.com

Counsel for
Galileo International

January 3, 2003

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
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**ANSWER OF GALILEO INTERNATIONAL
IN RESPONSE TO
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Galileo International ("Galileo")¹ supports the Petition for Fact Hearing filed by Sabre, Inc. ("Sabre") on December 23, 2002. Like Sabre, Galileo is concerned that the Department's Notice of Proposed Rulemaking concerning computer reservations systems ("CRSs"), 67 Fed. Reg. 69366 (Nov. 15, 2002) ("Notice"), appears to rest on a number of suppositions that lack appropriate factual support. Galileo believes that the issues raised in this rulemaking are highly significant for the future of the travel industry and that there must be adequate procedures to ensure that the Department has a complete and accurate factual record on which to base its decisions.

¹ Galileo, which provides the Apollo CRS to U.S. travel agents, is one of four CRSs operating in the United States. Since October 2001, Galileo has been a wholly-owned subsidiary of Cendant Corporation.

As Sabre notes, at some points in the Notice the Department relies on sources that are more than a decade old. This is simply unacceptable as the basis for regulating the travel distribution business, where technology and competitive conditions are changing on virtually a monthly basis. In other instances, the Department cites trade press articles in support of its factual assertions, and at some points it cites only its “belief” that certain conditions exist, with no citation to evidence at all. This is clearly insufficient, particularly in connection with assertions about important subjects such as alleged market power, booking fee levels, and effects of certain conduct on competition. The Department must cite more reliable evidence as it considers a proposal involving far-reaching changes to the current regulatory scheme.

The written comments filed in response to the Notice will provide the Department with some evidence on the relevant issues. Galileo believes, however, that it will be difficult for the Department to gain a full picture of recent developments in the travel distribution business and current competitive conditions without providing the opportunity for personal appearances by knowledgeable industry participants and experts and questioning by Department officials and interested parties. If the Department should grant the petition for a fact hearing, Galileo would hope to participate in presentation of evidence and examination of witnesses presented by other parties.

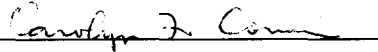
In addition, a fact hearing would be an appropriate procedure to respond to Sabre's Request for Clarification and/or Data Correction under the Data Quality Act, Pub. L. No. 106-554, § 515(b)(2)(B), 114 Stat. 2763A-154 (2000), contained in Appendix B to its petition. Galileo joins in that request. Galileo also agrees that the Department must provide adequate notice of any data and studies it is relying on in connection with this rulemaking.

For these reasons, Galileo urges the Department to grant the Petition for Fact Hearing.

Respectfully submitted,

CATHY L. CUPP
Senior Vice President
and General Counsel
THOMAS J. DEMAY
Regulatory Affairs Counsel

Galileo International
9700 West Higgins Road
Rosemont, Illinois 60018
847-518-4800

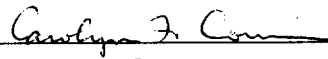

CAROLYN F. CORWIN
Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2401
202-662-6000

Counsel for
Galileo International

January 3, 2003

CERTIFICATE OF SERVICE

I hereby certify that on this 3d day of January, 2003, I caused copies of the foregoing Answer of Galileo International in Response to Petition for Fact Hearing to be sent by first class mail, postage prepaid, to those named on the attached Service List.



Carolyn F. Corwin

SERVICE LIST

David A. Schwarte
Executive Vice-President & General Counsel
SABRE INC.
3150 Sabre Drive
MD 9105
Southlake, TX 76092

Carl Nelson
American Airlines
1101 - 17th Street NW
Suite 600
Washington, DC 20036

David Warmflash
Sexter & Warmflash
115 Broadway
New York NY 10006

Kenneth P. Quinn
John E. Gillick
Pillsbury Winthrop LLP
1133 Connecticut Avenue NW
Suite 1200
Washington, DC 20036

Ernest Gellhorn
Law Office of Ernest Gellhorn
2907 Normanstone Lane NW
Suite 100
Washington, DC 20008-2725

Jeffrey Manley
Bruce Rabinovitz
Wilmer Cutler & Pickering
2445 M Street NW
Suite 1200
Washington, DC 20037

Megan Rae Rosia
Northwest Airlines, Inc.
901 - 15th Street NW
Suite 310
Washington, DC 20005

Robert E. Cohn
Shaw Pittman LLP
2300 N Street NW
Washington, DC 20037

R. Bruce Keiner, Jr.
Crowell & Moring
1001 Pennsylvania Avenue NW
Washington, DC 20004-2505

Joanne Young
David Kirstein
Baker and Hostetler
1050 Connecticut Avenue NW
Suite 1100
Washington, DC 20036

David H. Coburn
Carol R. Gosain
Steptoe & Johnson LLP
1330 Connecticut Avenue NW
Washington, DC 20036

Don Saunders, Esq.
800 N.W. Loop 410
San Antonio, TX 78216

Brian Hand
Nordlicht & Hand
645 Fifth Avenue
New York, NY 10022

Eugene A. Oven, Jr., Esq.
General Counsel
Navigant International, Inc.
84 Inverness Circle East
Englewood, CO 80112

Edward Faberman
Ungaretti & Harris
1747 Pennsylvania Avenue NW
Suite 900
Washington, DC 20006-4604

SERVICE LIST - Page 2

Linda F. Golodner
President
National Consumers League
1701 K Street NW
Suite 1200
Washington, DC 20006

Eugene Laney, Jr.
Director of Information & Legislative
Services
National Business Travel Association
110 North Royal Street
4th Floor
Alexandria, VA 22314

Paul M. Ruden
American Society of Travel Agents, Inc.
1101 King Street
Alexandria, VA 22314

Andrew Milne
7918 Jones Branch Drive
Suite 600
McLean, VA 22101-3307

Frank J. Costello
Jol A. Silversmith
Paul E. Schoellhamer
Charles Simpson, Jr.
Director of Government Affairs
Zuckert, Scoutt & Rasenberger, LLP
888 Seventeenth Street NW
Washington, DC 20006-3309

Roy Hadley
World Travel BTI
1055 Lenox Park Boulevard
Suite 420
Atlanta, GA 30319

Michael Goodman
Wolf & Goodman
1350 S. Glencoe Street
Denver, CO 80222

Robert Blakeney
4300 Sigma Road
Suite 100
Dallas, TX 75244

Fred DeCicco
Pollack, Pollack, Isaac & DeCicco
225 Broadway
New York, NY 10007

Rosemarie Christofolo
1630 S. Stapley Drive
Suite 217
Mesa, AZ 85204

John Risberg
1395 N. Highway Drive
Fenton
St. Louis, MO 63099